guaranteed portions of principal outstanding on State government-guaranteed loans in accrual status made by such banks, as determined by the Corporation)"; and

(4) in subsection (d)—

(A) by striking "subsection (a)" in the material preceding paragraph (1) and inserting "subsections (a) and (c)";

(B) by striking "intermediate term" in the material preceding paragraph (1); and

(C) by striking paragraph (1) and inserting the following:

"(1) by any production credit association, or any other association making direct loans under authority provided under section 7.6. that is able to make such loans because such association is receiving, or has received, funds provided through the Farm Credit Bank;".

(b) CONFORMING AMENDMENTS.—(1) The first sentence of subsection (b) of section 1.12 of the Farm Credit Act of 1971 (12 U.S.C. 2020(b)) is amended by inserting after "production credit association" the following: ", other association making direct loans under the authority provided under section 7.6.".

(2) The second sentence of subsection (b) of section 1.12 of the Farm Credit Act of 1971 (12 U.S.C. 2020(b)) is amended—

(A) in paragraph (1)—

(i) by inserting before "discounted with" the following: "funded by or";

(ii) by inserting after "that are in accrual status," the following: "excluding the guaranteed portions of government-guaranteed loans provided for in paragraph (3),"; and

(iii) by striking "and" at the end;

(B) in paragraph (2)—

(i) by inserting before "discounted with" the following: "funded by or"; and

(ii) by striking the period at the end and inserting "; and"; and

(C) by inserting after paragraph (2) the following:

"(3)(A) the annual average principal outstanding for such year on the guaranteed portions of Federal government-guaranteed loans made by the association, or by the other financing institution and funded by or discounted with the Farm Credit Bank, that are in accrual status, multiplied by 0.00015; and

"(B) the annual average principal outstanding for such year on the guaranteed portions of State government-guaranteed loans made by the association, or by the other financing institution and funded by or discounted with the Farm Credit Bank, that are in accrual status, multiplied by 0.0003.".

(3) Section 5.59(b)(D of the Farm Credit Act of 1971 (12 U.S.C. 2277a-8(b)(D) is amended by inserting after "any production credit association," the following: "any other association making direct loans under authority provided under section 7.6,".

(4) Section 5.61(e) of the Farm Credit Act of 1971 (12 U.S.C. 2277a-10(e)) is amended by inserting after "production credit association" the following: "and other association making direct loans under the authority provided under section 7.6".

12 USC 2020 note.

(c) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall be effective for insurance premiums due to the Farm Credit System Insurance Corporation under the Farm Credit Act of 1971 (12 U.S.C. 2001 et seq.) on or after January 1, 1990, based on the loan volume of each bank for each calendar year beginning with